

DIVS

DL/ID

Verification

Systems



DIVS

VLS/Passport





VLS & Passport

Tasking

Project Deliverables:

- Develop governance plans
- Develop cost models
- Develop user agreements



VLS & Passport

Working
Group

- Mississippi
- Hawaii
- Indiana
- Maryland
- Iowa
- Texas
- Wisconsin

DIVS

Birth Record Verification





Birth Record & DL/ID Verification Pilot

Task 1: Develop Verification Capability for DLAs & VRAs

Task 2: VRA Data Analysis & Improvements

Task 3: Implement Birth Record & DL/ID Pilot

A blue-tinted image of a globe constructed from interlocking puzzle pieces. Some pieces are missing and scattered on the surface in front of the globe.

Birth Record & DL/ID Verification Pilot

Working Group:

- Mississippi and North Dakota VRAs
- Mississippi DLA
- DIVS PMO, AAMVA & NAPHSIS

Activities:

- Kick off meeting – February 21, 2013
- In-person meeting – April 2&3, 2013

DIVS

S2S Pilot

S2S Governance





Program Benefits

Improve the
Integrity of
US-Issued
Credentials

Mission Critical

- Compliance with State laws
- Reduce costs for interstate compacts
- Highway Safety



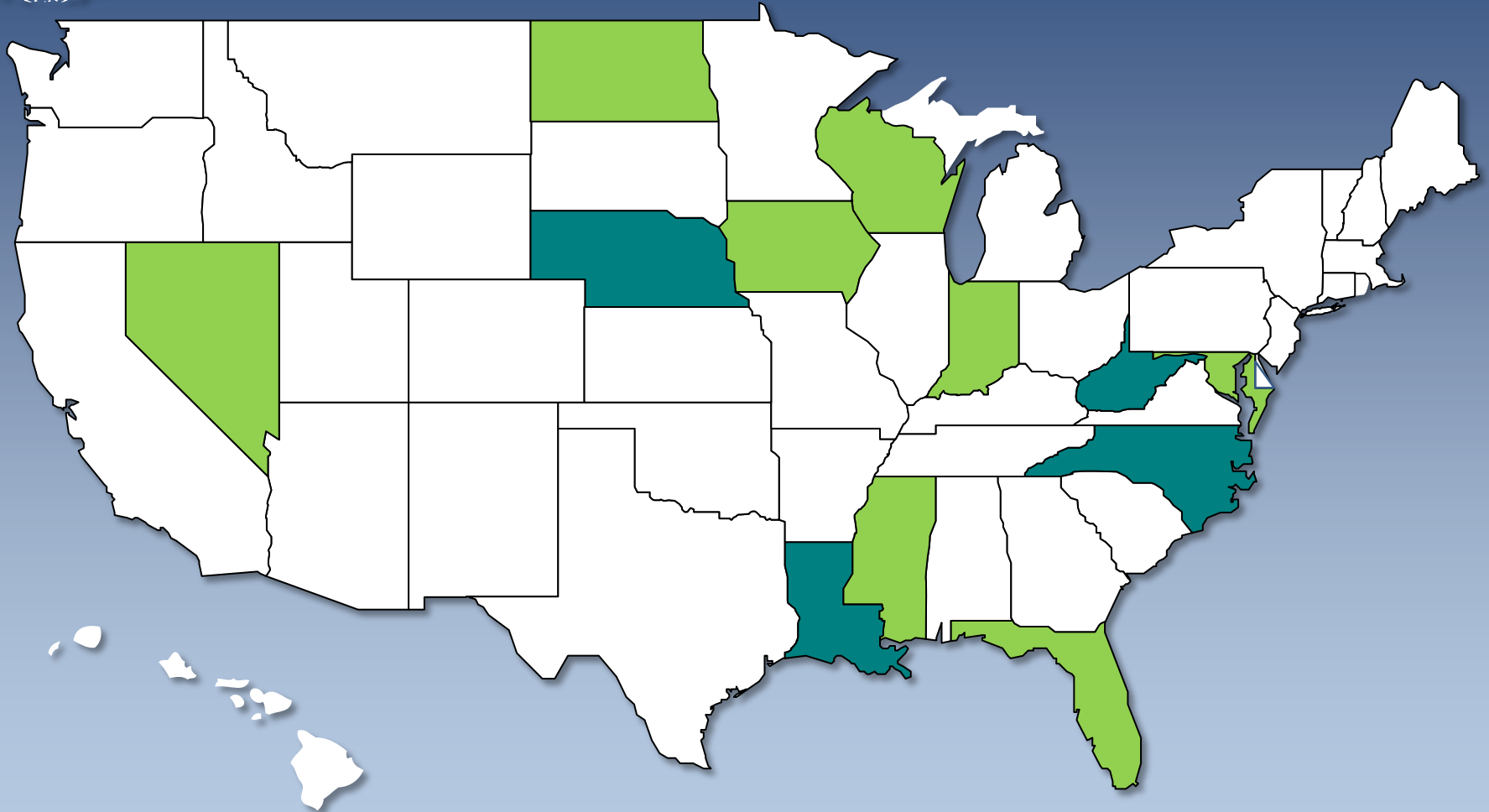
Program Benefits

Improve the
Integrity of
US-Issued
Credentials

Important Additional Benefits

- Improve Homeland Security
- Combat Identity Theft & Fraud

S2S Pilot States



First Year - Pilot Participants

Maryland, Mississippi, Indiana, Iowa, North Dakota, Wisconsin, Nevada, Florida

Second Year - Pilot Participants

Nebraska, North Carolina, Louisiana, West Virginia



S2S Current Focus

S2S Pilot Working Group

- Requirements Review
- Design Review
- Assist with Development Process
- Pilot Definition and Evaluation Criteria



Important Milestones

S2S Pilot

| | |
|--|-----------------------------------|
| AAMVA S2S Online Specification Complete | Feb-2014 |
| AAMVA S2S State Procedures Manual Complete | Aug-2014 |
| AAMVA S2S Web UI and Reports Complete | Sept-2014 |
| Pilot Year 1 – Pilot Begins | |
| Service Ready for Certification Testing | Nov-2014 |
| Service Ready for PRODUCTION Operations | Jan - 2015 |
| Pilot Year 2 – Post Pilot Begins | Nov-2015 |
| AAMVA Training Begins for Post-Pilot States | Nov-15 to Oct 16 (monthly) |



S2S Governance Committee

S2S
Governance
Working
Group

DIVS Executive Committee:

- Bernard Soriano, CA, Chair
- Steven Fielder, FL
- Randi Bristol, ID

AAMVA International Board:

- Patricia McCormick, MN
- Jennifer Cohen, DE
- Kurt Myers, PA



S2S Governance

Working Group Charter

Summarized as two functions:

- Drafting recommendations for the S2S cost model
- Recommending the long term governance entity for S2S



Direction Set by the Working Group

S2S Governance

- Objective to get the S2S service to operate without external funding
- Working Group is setting the initial cost structure.
- The long term governance entity will take responsibility in 2017.



Direction Set by the Working Group

Cost Model

- S2S operational costs are incremental costs, above the costs currently incurred by AAMVA for CDLIS.
- S2S costs will be distinguishable from those of CDLIS.
- The five year period (2017-2021) will be the basis for the initial cost model.



Direction Set by the Working Group

Cost Model

The initial S2S user fee will be based on two factors:

- Covering ongoing operational costs (O&M)
- Establishing a fund for the S2S rewrite.

Costs incurred by AAMVA for testing of the states during the implementation of S2S will be covered by a separate, one-time fee.



Direction Set by the Working Group

Fee Composition

An amount that represents the even distribution of **fixed** costs across all participating states.

- Service, programmatic documentation, service security, setting and adhering to privacy guidelines, etc.

An amount that represents those costs that **vary** by state size.

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Direction Set by the Working Group

Variable Costs

The variable portion of the S2S fee will be based on the number of drivers in a state, not the number of pointers the state has added to S2S.

- US DOT published numbers will be used.
- This approach can be reconsidered in the future.



Direction Set by the Working Group

The 2013 Cost Model will generate a range of costs (high and low) not a specific fee.

Cost Model

Once operational costs are better known (2016), a more precise estimate can be provided.



S2S Cost Estimates

Operations & Maintenance - Fixed/Variable Costs

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Fixed costs - Lower range | \$1,170,431 | \$1,201,213 | \$1,232,919 | \$1,265,576 | \$1,299,213 |
| Fixed costs - Upper range | \$1,755,646 | \$1,801,820 | \$1,849,379 | \$1,898,364 | \$1,948,820 |
| Variable costs - Lower range | \$1,753,456 | \$2,451,862 | \$3,184,219 | \$3,952,040 | \$4,756,899 |
| Variable costs - Upper range | \$2,630,184 | \$3,677,793 | \$4,776,329 | \$5,928,060 | \$7,135,348 |
| Total Lower Range | \$2,923,887 | \$3,653,075 | \$4,417,138 | \$5,217,616 | \$6,056,112 |
| Total Upper Range | \$4,385,830 | \$5,479,613 | \$6,625,708 | \$7,826,424 | \$9,094,168 |



S2S Cost Estimates

One-time Implementation Cost Structured Testing Cost per State

| | FY17 | FY18 | FY19 | FY20 | FY21 |
|-------------|-----------|-----------|-----------|-----------|-----------|
| Lower range | \$77,785 | \$80,119 | \$82,523 | \$84,998 | \$87,851 |
| Upper range | \$116,678 | \$120,178 | \$123,784 | \$127,497 | \$131,776 |



S2S Cost Estimates

**S2S Re-engineering Costs
Need to Save This Much by FY 22**

Lower range

\$2,700,509

Upper range

\$3,443,148



S2S Fixed Fee Portion

Original Range of Fixed Costs

\$38,000 - \$57,000 per state, per year

- Concern was expressed by small population states that both numbers were too high.
- Compromise was reached to lower the fixed fee to **\$28,000** (half of Upper Range Fee)



S2S Variable Fee Portion

Cost Model

**COST PER DRIVER = \$0.0508
(or Less)**



SAMPLE COST CALCULATION

For 2017, the maximum one-time implementation/structured testing fee = \$ 117,000.

The maximum yearly fee, if the state's driver population is 2 million drivers, would be:

| | | |
|-------------------|------------------------|---------------------------|
| Variable Portion: | 2 million X \$0.0508 = | \$116,000 per year |
| Fixed Portion: | | <u>\$ 28,000</u> per year |
| Total fees: | | \$144,000 per year |



2013 Cost Model Schedule

S2S
Governance

| Activity | Target Date |
|---|--------------------|
| Recommended Cost Model | March 2013 |
| DIVS & AAMVA Board Review | April 2013 |
| Obtain Feedback from States | June – August 2013 |
| Initial Cost Model Complete | September 2013 |
| Review Actual Costs & Determine if there are unspent grant monies | June 2016 |
| Finalize Initial Cost Model | September 2016 |

Questions?



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